BEFORE

THE PUBLIC SERVICE COMMISSION OF

SOUTH CAROLINA

DOCKET NO. 90-626-C - ORDER NO. 91-865

SEPTEMBER 30, 1991

IN RE: Application of Southern Bell) ORDER ADDRESSING Telephone & Telegraph Company to Avail itself of Incentive Regulation of its Intrastate Operations.) ORDER ADDRESSING PETITION FOR CLARIFICATION

This matter comes before the Public Service Commission of South Carolina (the Commission) by way of a separate Petition for Clarification filed on behalf of AT&T Communications of the Southern States (AT&T) regarding certain aspects of Order No. 91-595 issued in the instant Docket.

Specifically, AT&T is concerned that the Commission's adoption of certain testimony in its Order could be misconstrued as a finding that there is effective competition in the provision of interLATA and intraLATA access services and local service in South Carolina. Specifically, AT&T is concerned with the following quote from Witness Walker in the proceeding:

At a minimum, competition exists today in the following South Carolina markets: IntraLATA Toll, InterLATA and IntraLATA Access Services, Yellow Pages Advertising, Local Service, Supplemental Services, and Private Line Services. Order at pp. 10-11.

AT&T contends that the record in the case does not support Mr. Walker's statement that Southern Bell's access revenues are at extreme risks, nor that there is any substantial or effective competition for interLATA and intraLATA access services or local service.

The Commission has reviewed the Petition of AT&T, as well as the record on this matter. The Commission, in quoting from Mr. Walker's testimony, was merely citing his testimony to recognize that Southern Bell faces competition in many of its markets and that, therefore, the adoption of incentive regulation for Southern Bell is appropriate. The Commission did not intend to make a specific finding that competition exits in any particular market of Southern Bell, rather, the intent was to note that there is competition in the general marketplace.

The Commission will hereby clarify its Order No. 91-595 by modifying its finding in the following manner:

The Commission finds that even though the Company was under no requirement to prove that it was subject to competition or to show the effects of competition on its operations, the Company supplied evidence sufficient to establish that it faces competition in many of its markets and, therefore, a revision to its form of regulation is warranted.

AT&T sought no other relief other than the clarification of Order No. 91-595. Order No. 91-595 shall reflect the above language as stated herein and such shall be substituted for the finding of Order No. 91-595, p. 11, lines 6-10.

IT IS SO ORDERED.

BY ORDER OF THE COMMISSION:

Marjonie amos- Bragues Chairman

ATTEST:

DACCUCITO DI

(SEAL)